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March 27, 1998

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas Secretary Federal Communications Commission 1919 M Street, NW, Room 222 Washington, D.C. 20554

RE: Ex Parte CC 95-155

Dear Ms. Roman Salas:

A copy of the attached document was delivered today, March 27, 1998, to Chairman William E. Kennard; Commissioners Harold Furchtgott-Roth, Michael K. Powell, Susan Ness, and Gloria Tristani; and Richard Metzger, Jr., Chief of the Common Carrier Bureau; Geraldine Matise, Chief of the Network Services Division; and Anna Gomez, Deputy Chief of the Network Services Division.

Two copies of this Notice are being submitted to the secretary of the FCC in accordance with Section 1.1206(a)(1) of the Commission's rules.

Sincerely,

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Attachments

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March 27, 1998

Hon. William E. Kennard Chairman Federal Communications Commission 1919 M Street, NW, Room 814 Washington, D.C. 20054

Re: Toll Free Service Access Codes (CC Docket 95-155)

Dear Chairman Kennard:

AT&T would like to again convey strong support for the Commission's plans to open the 877 toll free code for consumer reservations as scheduled on April 5, 1998.

Any delay in the general availability of 877 in the SMS/800 system could easily result in the total exhaustion or seriously constrained supply of both the 800 and 888 toll free resource. This unavailability of toll free numbers would have serious consequences for thousands of individuals, small businesses and larger corporations that depend upon the availability of new toll free numbers in the conduct of their affairs.

Industry participants in the SNAC process already have expressed concerns regarding the impact of any last-minute postponement on individual company marketing plans and work center activities that are in progress and/or scheduled to coincide with the widely advertised opening of 877 toll free numbers on April 5. As you know, the industry has been working toward this early April 1998 deployment since informal discussions began with the Commission in September 1996. No one has filed a timely request for reconsideration of the 877 deployment date.



In addition, other activities in the SMS/800 system of major importance to the industry and the Commission – such as Numbering Plan Administration (NPA) area code splits and conversions –have been rescheduled by the industry. This has been done in order to accommodate the imminent availability of 877 numbers during an initial three-week general availability and to ensure that the process proceed without serious disruptions. If the April 5 deployment of 877 established by the Commission were to be abruptly delayed, the earliest that 877 deployment could be rescheduled would be a three-week period commencing June 21, 1998. Based on the current projections that have been shared throughout the industry and with the Commission, exhaustion of 800 and 888 numbers well may have occurred by then.

AT&T and others have noted in earlier comments that, if a decision were made by the Commission to grant the right-of-first-refusal on the 888 "set-aside" numbers (i.e. those numbers that were put into the "UNAVAILABLE" status by the incumbent 800 number user preceding the opening of the 888 SAC), then the implementation of that specific decision should be no sooner than sixty days after 877 deployment. This request has been made due to anticipated public demand for 877 toll free numbers and associated implications to system capacity.

In fact, release processes for 888 "set-aside" numbers have yet to be developed because the industry has focused exclusively on meeting the April 5 deadline for 877 deployment. The important point is this: 877 is <u>not</u> contingent on the resolution of the 888 set-aside issue. The SNAC does not support further set-asides or Vanity Number Protection in the 877 toll free code and, from earlier Commission statements, it would appear that 877 set-asides are a moot issue.

Mr. Chairman, no one is well served by a replay of the crisis atmosphere that surrounded the transition from 800 to 888 toll free numbers. Exhaustion of 800 numbers was avoided at that time only because the Commission established strict conservation measures and kept the industry on schedule until 888 numbers were deployed. Deployment of 877 numbers on April 5, 1998 requires the same steadfast commitment.

Past history suggests that, as supply diminishes, toll-free number consumption increases. Current projections of when 888 toll free numbers will be exhausted are contingent upon an assumption that disconnects will be returned to the "spare number pool" at a rate of 50,000 numbers per week. This rate of returning numbers likely would diminish seriously if the April 5 date is postponed and an exhaust situation appeared imminent.

Page 3
 March 27, 1998

The Responsible Organizations (RespOrgs) serving toll free customers have had varying degrees of SMS database connectivity options for years. There are over 230 RespOrgs in the marketplace today, which is an all-time record. Since the Commission ordered implementation of 800 number portability, connectivity requirements have varied, depending on the RespOrgs' capacity and associated customer needs. Despite some recent, last –minute commentary, the fact is that 877 deployment will utilize the existing architecture and all RespOrgs are free to choose their connection method.

Last-minute assertions that smaller RespOrgs suffer discrimination under the existing SMS number acquisition rationing regime, therefore, are groundless. In addition, the recent March 16, 1998 letter from Common Carrier Bureau Network Services Division Chief Geraldine Matise that eliminates rationed allocation with 877 deployment makes this objection moot as well.

It long has been obvious to the Commission that the fact that AT&T and many other carriers also are RespOrgs does not serve as grounds to argue that these carriers should be the target of discrimination. AT&T uses only a small percentage of its working base for internal applications, and it has worked consistently over the years with others in the industry to ensure that all RespOrgs are treated fairly. Perhaps overlooked by some last-minute critics is the fact that many small carriers and switchless resellers are active participants in the industry's SNAC and are actively participating in the current 877 implementation process that is based on an April 5 deployment.

Finally, to the extent that any party at this late hour is proposing a form of number brokering for small RespOrgs, AT&T joins the Commission in its consistent opposition to number brokering under any circumstance. Such action has been the subject of public comments many times in the past, and the Commission is correct that brokering would only serve to increase toll-free number consumption rates, with no benefit to the average toll-free user.

In short, AT&T would like to reiterate that:

- 877 toll free number deployment is not contingent on 888 "set aside" clarification. The Commission need not provide "set-asides" for 877 numbers and is not expected to do so.
- A delay beyond the long scheduled April 5, 1998 deployment date could adversely impact future NPA splits that have been scheduled to follow deployment of 877 toll free numbers.

 The March 16, 1998 Matise letter correctly eliminates any reasonable objections to future toll free number allocation and clarifies that rationing has been discontinued, and that the Commission's toll-free number administration rules effective on May 27, 1997 provide adequate allocation and conservation measures.

Sincerely,

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Copies to:

Hon. Michael K. Powell

Hon. Harold Furchtgott-Roth

Hon, Susan Ness

Hon, Gloria Tristani

A. Richard Metzger

Geraldine Matise

Anna Gomez